GOVERNMENT OF ANDHRA PRADESH
ABSTRACT

Chit Fund Act, 1982 – Appeal Petition filed by Sri Chilukuri Venkata Ramesh, R/o Gudivada and three others against the award passed in Arbitration Claim Petition No.16/2016 dated 19.05.2017 by the Deputy Registrar of Chits, Vijayawada – Orders – Issued.

REVENUE (REGN.II) DEPARTMENT

G.O.Rt.No.881 Dated 30.08.2017.

Read the following:-

1. Appeal Petition filed by Sri Chilukuri Venkata Ramesh, R/o Gudivada and three others dated 01.07.2017.
2. Govt. Memo No.679752/Regn.II/A1/2017, dt 21.07.2017.
3. Govt. Letter No.679752/Regn.II/A1/2017, dt 21.07.2017.
4. Govt. Memo No.08/Regn.II/A1/2017, dt 21.07.2017.
5. Govt. Letter No.679752/Regn.II/A1/2017, dt 26.07.2017.
6. Govt. Memo No.631676/Regn.II/A1/2017, dt 26.07.2017.
7. Govt. Letter No.679752/Regn.II/A1/2017, dt 21.08.2017.

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ORDER:-

Sri Chilukuri Venkata Ramesh, R/o Gudivawada and three (3) others have filed Appeal Petition Under Section 70 of the Chit Fund Act, 1982 against the award passed in Arbitration Claim Petition No.16/2016 dated 19.05.2017 passed by the Deputy Registrar of Chits, Vijayawada.

2. Brief facts of the case are as follows:-

(i) The 1st appellant joined the Chit Fund Company as a subscriber in a chit group No:MT10UBKVG for a value of Rs.2,00,000/- which is payable at the rate of Rs.5,000/- per month for a period of 40 months and the 1st appellant herein participated in auction held on 23.11.2014 and became successful bidder having agreed to forego an amount of Rs.70,000/- out of chit value of Rs.2,00,000/- and after declaring as successful bidder, the appellant submitted appellants 2 to 4 as guarantors, who executed an agreement of guarantee and also executed promissory note and all necessary documents in favour of respondent No.1 (chit Fund Company) and the prized amount was paid to the Appellant through cash voucher dated 02.01.2015 and after that the 1st appellant paid only 12 installments and committed default for future instalments. The 1st respondent issued a demand legal notice dated 19.01.2016 to all the opponents through its advocate. As there is no reply, the 1st respondent filed a dispute application before the Deputy Registrar of Chits, Vijayawada and the same was numbered as Arbitration Claim Petition No.16/2016. The Deputy Registrar of Chits, Vijayawada sent notices and all the Appellants called absent. The Deputy Registrar of Chits, Vijayawada passed award in ACP No.16/2016 dated 19.05.2017 in favour of the Respondent No.1 ordering that the company is entitled to recover a sum of Rs.1,54,920/- (Rupees one lakh fifty four thousand and nine hundred and twenty only) jointly and severally from opponents 1 to 4 together with interest at 12% per annum on the principal amount of Rs.1,40,000/- from the date of filing of the claim petition i.e. on 08.03.2016 to till the date of realization and also Rs.10,661/-towards cost of the dispute.

(P.T.O)

(ii) Aggrieved by the above said award, the appellants filed the present appeal.

3. The case was first posted for hearing on 26.07.2017 at 11.30 A.M. The counsel for appellant attended hearing and sought time and accordingly the case was adjourned to 21.08.2017 at 11.00 A.M.

4. On 21.08.2017 the Counsel for Appellants and Counsel for the Respondents attended. Heard both the parties and decided to adjourn the case to 28.08.2017 at 11.00 A.M.

5. On 28.08.2017, the Counsel for the Appellants and the Counsel for Respondent (Chit Fund Company) attended. Heard both the parties. Both the parties came to a common conclusion in writing that the Respondent agreed to receive the total amount in lumpsum or partly within four (4) months from the date of this order by reducing the rate of interest from 18% to 12% from the date of default to the date of award of the Deputy Registrar of Chits, Vijayawada. The Appellants agreed to pay the amount accordingly. In the event of failure, the Respondent Chit Fund Company is at liberty to recover the amount with 18% interest from the date of default. Both the parties agreed to the above.

6. Government have examined the case with reference to the material available on record and have perused the Appeal Petition and heard both the parties and in exercise of powers conferred under section 70 of the Chit Fund Act, 1982, it is hereby ordered that the appeal is allowed / disposed of accordingly.

(BY ORDER AND IN THE NAME OF THE GOVERNOR OF ANDHRA PRADESH)

Dr.D.SAMBASIVA RAO,
SPECIAL CHIEF SECRETARY TO GOVERNMENT.

To
Sri Chilukuri Venkata Ramesh, D/o Bhanu Jewellers, D.No.15/7, Ganganamma Street, Gudivada-521301, R/o D.No.18/267, C.II, Pedayerukapadu, Gudivada, Krishna district through the Dy. Registrar of Chits, Vijayawada.
Sri Kaniganti Chinnappa, SGT, MPP School, Ramannagudem, Bapulapadu Mandal, Krishna District through the Dy. Registrar of Chits, Vijayawada.
Sri Daram Sekhar Babu, Line Inspector, APSPDCL, Thotlavalluru (P&M), Krishna District through the Dy. Registrar of Chits, Vijayawada.
Sri Pedapongu Rajesh, Jr. Typist, Dr.Gururaju Government Homeopathic Medical College, GUdivada, Krishna District through the Dy. Registrar of Chits, Vijayawada.
M/s. U.B.K. Chits Pvt. Ltd., (formerly known as U.B.K. Chits and Investments Pvt. Ltd.,) D.No.40-3/1-46, Krishna Nagar, Beside Boyapati Building, Venkateswara Puram, Labbipet, Vijayawada-520010 through the Dy. Registrar of Chits, Vijayawada.
The Deputy Registrar of Chits, Vijayawada.
Copy to
The Director and Inspector General of Registration and Stamps, Andhra Pradesh, Vijayawada.
The P.S. to Special Chief Secretary to Govt., Revenue (Regn.II) Department.
SF/SC.

//FORWARDED::BY ORDER//

SECTION OFFICER.